



**Sean Rogan**  
Executive Director

**HOUSING AUTHORITY  
of the County of Los Angeles**

700 W. Main Street • Alhambra, CA 91801

Tel: 626.262.4510 • TDD: 855.892.6095 • [www.hacola.org](http://www.hacola.org)

**Gloria Molina  
Mark Ridley-Thomas  
Zev Yaroslavsky  
Don Knabe  
Michael D. Antonovich**  
Commissioners

# ADOPTED

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY

1-H December 17, 2013

December 17, 2013

The Honorable Board of Commissioners  
Housing Authority of the  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Dear Commissioners:

**APPROVE SUBMITTAL OF RENTAL ASSISTANCE DEMONSTRATION PROGRAM  
APPLICATIONS FOR VARIOUS PUBLIC HOUSING DEVELOPMENTS  
(DISTRICT 1, 2, & 4) (3 VOTE)**

**SUBJECT**

This letter recommends the submittal of applications for the Rental Assistance Demonstration (RAD) program for 1,843 Public Housing units currently owned and operated by the Housing Authority. The Housing Authority will submit a total of four (4) applications for the following sites: the Carmelitos family and senior housing development in the City of Long Beach; the Harbor Hills family housing development in the City of Lomita; the Nueva Maravilla family and senior housing development in unincorporated East Los Angeles; and 25 South Scattered Sites family and senior housing developments located throughout the Second Supervisorial District. Conversion to RAD will place our housing stock in a better long-term financial footing by stabilizing annual subsidies and increasing access to additional sources of financing for capital improvements.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Adopt and instruct the Chairman to sign the attached resolution approving submittal of RAD program applications to the U.S. Department of Housing and Urban Development (HUD).
2. Authorize the Executive Director or his designee to execute all related documents and to take any other necessary actions to comply with all requirements of the RAD program.
3. Find that submittal of the applications to HUD is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the action is not defined as a project under CEQA.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

In recent years, the Housing Authority has faced increasingly severe budget cuts, and must address over \$80 million in deferred maintenance and construction needs for the next 20 years. Furthermore, diminishing resources impair our ability to address the safety and habitability of units for our low-income elderly and disabled families.

RAD is a HUD initiative to preserve public and other HUD-assisted housing, by providing owners and Public Housing Authorities (PHAs) with access to additional funding to make needed physical improvements to properties. HUD is strongly encouraging participation in the RAD program, so that PHAs can access new funding sources for renovations and operate their properties with increased financial stability.

RAD allows PHAs to convert housing developments from traditional public housing operating subsidies to long-term, Project-Based Section 8 rental assistance subsidies. Project-Based funding should provide more revenue than current public housing subsidies, as well as a more stable and predictable annual subsidy in the future. This will allow the Housing Authority to apply more easily for Low-Income Housing Tax Credits and other sources of financing for capital improvements.

## **FISCAL IMPACT/FINANCING**

There is no impact on the County general fund.

HUD is authorized to provide 2012 funding levels for PHAs that submit RAD program applications by the end of 2013. RAD will allow the Housing Authority to lock in the 2012 Public Housing operating and capital subsidy funding levels which are higher than the current and anticipated future funding levels.

For example, in 2012, the Nueva Maravilla housing development, with 504 units, received approximately \$4,686,051 in funding from rental revenue, operating subsidy and capital fund. In 2013, the funding decreased to \$4,614,879. The projected Nueva Maravilla funding for 2014 is anticipated to decrease to approximately \$4,435,304, due to sequestration and other federal cuts.

Under the RAD program, the Housing Authority anticipates receiving a baseline of approximately \$4,771,872 in predictable funding annually for Nueva Maravilla, based on the RAD Inventory Assessment Tool provided by HUD. Subject to annual appropriations, this funding will be locked in for the term of the RAD contract which can be for a period of 15 to 20 years, with modest annual increases based on HUD's operating cost adjustment factor. At expiration of the initial contract, the Housing Authority must apply for and accept if offered a Section 8 renewal contract.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The RAD program provides several key protections for Public Housing residents affected by a conversion, as well as increased resident choice and mobility:

- At conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions, and the Housing Authority must renew all leases upon lease expiration, unless there is a reason not to renew.

- Rents will continue to be calculated based on 30% of adjusted household income.
- Residents will continue to have the right to establish and operate resident organizations and to be eligible for resident participation funding.
- Current participants in the Family Self Sufficiency and Resident Opportunities and Self Sufficiency Service Coordinator programs will be able to continue in the programs.
- After meeting a residency requirement (with a duration depending on the details of the RAD contract), residents will be issued Section 8 vouchers if they choose not to renew their lease and vouchers are available. Residents can use their Section 8 vouchers anywhere in the Housing Authority's jurisdiction and can also port out to another PHA. Depending on the details of the conversion, the Housing Authority may be able to limit the number of moves exercised by eligible households to 15 percent of the assisted units in a housing development.

The Housing Authority conducted 11 meetings in early December 2013 to meet with affected residents. Comments and responses from these meetings will be included in the RAD applications, with a copy to your Board. On December 18, 2013, the Housing Commission will consider the recommended action for concurrence with your Board.

The attached resolution approving submittal of the RAD applications has been approved as to form by County Counsel. A list of affected housing developments is included as an exhibit to the resolution. HUD requires a "Board Approval Form" for each of the four RAD applications. These are attached in substantially final form and will be executed by the Executive Director following your Board's approval of the submittal.

Submittal of the applications does not commit the Housing Authority to any particular course of action. If HUD accepts our applications, the Housing Authority will receive a RAD Award Letter and Commitment to Enter into a Housing Assistance Payment for Project-Based Section 8. The Housing Authority may decide not to go forward with conversion at any time prior to closing, which generally must occur within one year.

### **ENVIRONMENTAL DOCUMENTATION**

Submittal of RAD program applications to HUD is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. Submittal of the applications is not a project pursuant to CEQA because it is an activity that is excluded from the definition of a project by Section 15378 (b) of the State CEQA guidelines. The proposed action is an administrative activity of government which will not result in direct or indirect physical change to the environment. Any rehabilitation that may occur as a result of the conversion may be subject to separate environmental review procedures.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The RAD program provides the financial stability to the Housing Authority to continue to operate, manage, maintain and complete capital improvements at our housing developments. The RAD program will help to ensure that our low-income residents will continue to live in decent, safe and sanitary housing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line.

SEAN ROGAN  
Executive Director

SR:as

Enclosures

**RESOLUTION APPROVING THE SUBMITTAL OF RENTAL ASSISTANCE  
DEMONSTRATION PROGRAM APPLICATIONS WITH THE U.S. DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT**

WHEREAS, the Housing Authority of the County of Los Angeles ("Housing Authority") owns and manages 2,962 units of quality, public housing throughout the County for low-income families, the elderly, and the disabled; and

WHEREAS, aggressive cuts to federal spending have made it increasingly difficult for the Housing Authority to provide critically needed housing opportunities in one of the most unaffordable housing markets in the nation; and

WHEREAS, the Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011) created the Rental Assistance Demonstration (RAD) program, which allows Public Housing Authorities (PHAs) to convert public housing subsidies into a long-term, Project-Based Section 8 rental assistance subsidy to provide stable and predictable annual funding; and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) is authorized to provide Section 8 rents based upon 2012 rather than more recent lower public housing funding levels for PHAs that submit RAD program applications by the end of 2013; and

WHEREAS, stable and predictable revenues based on 2012 appropriations would represent significantly more revenue than current funding levels for public housing, and would increase the ability of the Housing Authority to apply for Low-Income Housing Tax Credits and other sources of financing to fund public housing renovations; and

WHEREAS, the Housing Authority has prepared four (4) RAD program applications, which include twenty-nine (29) HUD development numbers at twenty-eight (28) housing developments, a list of which is attached hereto as Exhibit A and incorporated by reference herein;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority does hereby authorize the Executive Director to submit four RAD program applications to HUD for the housing developments included in the attached list, to execute all related documents, and to take any other necessary actions to comply with the requirements of the RAD program.

APPROVED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Los Angeles on this 17<sup>th</sup> day of December, 2013.

DON KNABE  
Chairman of the Board of Commissioners

By: \_\_\_\_\_

*Don Knabe*

ATTEST:

SACHI A. HAMAI  
Executive Officer-Clerk of the  
Board of Commissioners

By: \_\_\_\_\_

Deputy



APPROVED AS TO FORM:

JOHN F. KRATTLI  
County Counsel

By: \_\_\_\_\_

Deputy

## Exhibit A

### List of Housing Developments to be included in the Rental Assistance Demonstration (RAD) Program Application

AMP	HUD DEV. NO.	SUP. DIST.	SITE	ADDRESS	NO. OF UNITS
1	CA16P002001	4	Carmelitos (family)	700 Via Wanda, Long Beach 90805	558
1	CA16P002026	4	Carmelitos (senior)	761 Via Carmelitos, Long Beach 90805	155
2	CA16P002002	4	Harbor Hills (family)	26607 S. Western Avenue, Lomita, CA 90717	301
3	CA16P002004	1	Nueva Maravilla (family/senior)	4919 Cesar E. Chavez Ave., Los Angeles 90022	504
				Total Units	1,518
			<b>South Scattered Sites</b>		
8	CA16P002020	2	1104 W. 106th St. (family)	1104 W. 106th St., Los Angeles 90044	10
8	CA16P002020	2	11431-463 S. Normandie (family)	11431-463 S. Normandie Ave., Los Angeles 90047	28
8	CA16P002020	2	Century & Wilton (family)	10025 Wilton Pl., Los Angeles 90047	40
8	CA16P002021	2	1101-09 W. 91st (family)	1101-09 W. 91st St., Los Angeles 90044	16
8	CA16P002021	2	1232-34 E. 119th (family)	1232-34 E. 119th St., Los Angeles 90059	2
8	CA16P002021	2	1100 W. 106th St. (family)	1100 W. 106th St., Los Angeles 90044	10
8	CA16P002021	2	1320 W. 107th (family)	1320 W. 107th St., Los Angeles 90044	18
8	CA16P002032	2	South Bay Gardens (seniors)*	230 E. 130th St., Los Angeles 90061	100
8	CA16P002060	2	West 94th St. (family)	1035-37 1/2 W. 94th St., Los Angeles 90044	4
8	CA16P002060	2	West 95th St. (family)	1324 W. 95th St., Los Angeles 90044	4
8	CA16P002066	2	Woodcrest I (family)	1239 W. 109th St., Los Angeles 90044	10
8	CA16P002078	2	1027-33 W. 90th (family)	1027-33 W. 90th St., Los Angeles 90044	6
8	CA16P002079	2	West 106th St. (family)	1334-38 W. 106th St., Los Angeles 90044	4
8	CA16P002079	2	Budlong (Family)	9410 Budlong Ave., Los Angeles 90044	4
8	CA16P002079	2	Budlong (Family)	11126 Budlong Ave., Los Angeles 90044	3
8	CA16P002090	2	Woodcrest II (family)	1245 W. 109th St., Los Angeles 90044	10
8	CA16P002091	2	1115-16 W. 90th St. (family)	1115-16 W. 90th St., Los Angeles 90044	18
8	CA16P002124	2	West 105th St. (family)	1336-40 W. 105th St., Los Angeles 90044	9
8	CA16P002127	2	Athens III (family)	1120 W. 107th St., Los Angeles 90044	3
8	CA16P002132	2	Imperial Heights (family)	1221 W. Imperial Hwy., Los Angeles 90044	5
8	CA16P002138	2	Budlong Crest (family)	11248 S. Budlong Ave., Los Angeles 90044	6
8	CA16P002124	2	West 106th St. (family)	1057 W. 106th St., Los Angeles 90044	4
8	CA16P002127	2	Athens III (family)	1310 W. 110th St., Los Angeles 90044	3
8	CA16P002127	2	Athens III (family)	11104 S. Normandie Ave., Los Angeles 90044	4
8	CA16P002132	2	Imperial Heights (family)	1309 W. Imperial Hwy., Los Angeles 90044	4
				Total Units	325

## Board Approval Form for Carmelitos - page 1

## Housing Authority of the County of Los Angeles RAD Application for CARMELITOS

AMP No:	CA002000001
Units	712

### Type of Conversion

PBRA (Project Based Rental Assistance)
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### Proposed Units for Conversion and De Minimis

Summary	Total Units Proposed for Conversion	Units Proposed to be Reduced	de minimis threshold
	712	0	36
Explanation for de minimis reduction			Unit Count

## Pro Forma Sources and Uses

Sources of Funds	Amount	Per Unit
New First Mortgage Loan	\$0	\$0
Public Housing Operating Reserves	\$0	\$0
Public Housing Capital Funds	\$100,237	\$141
Replacement Housing Factor	\$0	\$0
Low Income Housing Tax Credit Equity - 4%	\$0	\$0
Low Income Housing Tax Credit Equity - 9%	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
<b>Total Sources of Funds</b>	<b>\$100,237</b>	<b>\$141</b>
Uses of Funds	Amount	Per Unit
Acquisition Costs	\$0	\$0
Construction Costs	\$100,237	\$141
Relocation Costs	\$0	\$0
Professional Fees	\$0	\$0
Loan Fees and Costs	\$0	\$0
Reserves	\$0	\$0
Developer Fees	\$0	\$0
<b>Total Uses of Funds</b>	<b>\$100,237</b>	<b>\$141</b>

## Stabilized Cash Flow Pro Forma

	<i>Total</i>	<i>PUPA</i>
Gross Potential Rents for RAD Units	\$5,840,844	\$8,203
Gross Potential Rents for Other Apartment Units	\$0	\$0
Gross Potential Rents for Commercial	\$0	N/A
Vacancy Loss and Bad Debt Loss	(\$292,042)	-\$410
Other Income	\$45,690	\$64
<b>Effective Gross Income</b>	<b>\$5,594,492</b>	<b>\$7,857</b>
Total Operating Expenses	(\$4,345,153)	(\$6,103)
Annual Deposit to Replacement Reserve	(\$936,100)	(\$1,315)
<b>Net Operating Income</b>	<b>\$313,239</b>	<b>\$440</b>
First Mortgage Debt Service	\$0	\$0
<b>Operating Cash Flow</b>	<b>\$313,239</b>	<b>\$440</b>

**PHA's Explanation of Any Relocation of Tenants (Estimated Relocation Cost is \$0)**

The project will not require the relocation of residents.

## PHA's Explanation of Capacity and Experience to Carry Out the RAD Conversion

The development team for the conversion is composed by the following Housing Authority County of Los Angeles staff: Executive Director Sean Rogan; Deputy Executive Director Emilio Salas; Housing Management Director Maria Badrakhan; and Analyst Alicia Salcido. Mr. Corde Carillo, Director of the Economic and Housing Development Division of the Los Angeles Community Development Commission, is also a member of the development team. The development team is knowledgeable and has been involved in various affordable housing, redevelopment and community development programs. While administering these programs, the development team has utilized a variety of resources, including HOME, CDBG, ESG, HOPWA, redevelopment funds, tax credits, Hope VI and tax exempt bonds.



Board Approval Form for Carmelitos - page 2

Housing Authority of the County of Los Angeles RAD Application for CARMELITOS

PHA's Explanation of the Proposed Total Operating Cost being less then 85% of the 3 Year Historical Operating Expenses					
3 Year Historical Average Comparison	2009	2010	2011	Average	Proposed
	\$6,025,233	\$4,515,915	\$3,800,871	\$4,780,673	\$4,345,153
N/A					

PHA's Explanation of the Capital Needs and Replacement Reserves Estimates

N/A

Discussion of QAP timing

N/A

Demonstration of recent success obtaining 9% LIHTCs

N/A

Likelihood of obtaining 9% LIHTCs

N/A

I hereby certify to the following: (1) that I have the requisite authority to execute this application on behalf of the owner; (2) that HUD can rely upon this certification in evaluating the Application, (3) that I acknowledge that I have read and understand PIH Notice 2012-32 (the "Notice"), which describes the Rental Assistance Demonstration (RAD) (the "Program"), and agree to comply with all requirements of the Program or Notice; (4) that all materials submitted in association with the application are accurate, complete and not misleading; (5) that the application meets all applicable eligibility requirements for the Program set forth in the Notice; (6) that the owner approves the creation of a single-asset entity of the affected project if required by the lender to facilitate financing; (7) that, if selected for award, the owner will comply with the fair housing and civil rights requirements at 24 CFR 5.105(a) (general requirements) and will affirmatively further fair housing; (8) that there are no debarments, suspensions, or Limited Denials of Participation in Federal programs lodged against the applicant, PHA Executive Director, Board members, or affiliates; (9) that this Board Approval Form has been approved by the Board of Commissioners on the date noted below; and (10) that, if selected for an award, the PHA will comply with all provisions of HUD’s Commitment to Enter into a HAP (CHAP), which shall indicate the HUD-approved terms and conditions for conversion of assistance, or will indicate to HUD within 15 days that it is refusing the terms of the CHAP and withdrawing from RAD participation.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 USC Sections 1001, 1010, 1012; 31 USC Sections 3729, 3802)

PHA Certification: By Sean Rogan (Executive Director)

Signature:

December 17, 2013  
Date:

Board Approval Form for Harbor Hills - page 1

Housing Authority of the County of Los Angeles RAD Application for HARBOR HILLS

AMP No:	CA002000002
Units	297

Type of Conversion
PBRA (Project Based Rental Assistance)

Proposed Units for Conversion and De Minimis			
Summary	Total Units Proposed for Conversion	Units Proposed to be Reduced	de minimis threshold
	297	0	15
Explanation for de minimis reduction			Unit Count

Pro Forma Sources and Uses		
Sources of Funds	Amount	Per Unit
New First Mortgage Loan	\$0	\$0
Public Housing Operating Reserves	\$0	\$0
Public Housing Capital Funds	\$135,226	\$455
Replacement Housing Factor	\$649,405	\$2,187
Low Income Housing Tax Credit Equity - 4%	\$0	\$0
Low Income Housing Tax Credit Equity - 9%	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Total Sources of Funds	\$784,631	\$2,642
Uses of Funds	Amount	Per Unit
Acquisition Costs	\$0	\$0
Construction Costs	\$135,226	\$455
Relocation Costs	\$0	\$0
Professional Fees	\$0	\$0
Loan Fees and Costs	\$0	\$0
Reserves	\$649,405	\$2,187
Developer Fees	\$0	\$0
Total Uses of Funds	\$784,631	\$2,642

Stabilized Cash Flow Pro Forma		
	Total	PUPA
Gross Potential Rents for RAD Units	\$2,404,092	\$8,095
Gross Potential Rents for Other Apartment Units	\$0	\$0
Gross Potential Rents for Commercial	\$0	N/A
Vacancy Loss and Bad Debt Loss	(\$120,205)	-\$405
Other Income	\$21,723	\$73
Effective Gross Income	\$2,305,610	\$7,763
Total Operating Expenses	(\$1,947,518)	(\$6,557)
Annual Deposit to Replacement Reserve	(\$171,380)	(\$577)
Net Operating Income	\$186,712	\$629
First Mortgage Debt Service	\$0	\$0
Operating Cash Flow	\$186,712	\$629

PHA's Explanation of Any Relocation of Tenants (Estimated Relocation Cost is \$0)
N/A

PHA's Explanation of Capacity and Experience to Carry Out the RAD Conversion
The development team for the conversion is composed by the following Housing Authority County of Los Angeles staff: Exective Director Sean Rogan; Deputy Executive Director Emilio Salas; Housing Management Director Maria Badrakhan; and Analyst Alicia Salcido. Mr. Corde Carillo, Director of the Economic and Housing Development Division of the Los Angeles Community Development Commision, is also a member of the development team. The development team is knowledgeable and has been involved in various affordable housing, redevelopment and community development programs. While administering these programs, the development team has utilized a variety of resources, including HOME, CDBG, ESG, HOPWA, redevelopment funds, tax credits, Hope VI and tax exempt bonds.

Board Approval Form for Harbor Hills - page 2

Housing Authority of the County of Los Angeles RAD Application for HARBOR HILLS

PHA's Explanation of the Proposed Total Operating Cost being less then 85% of the 3 Year Historical Operating Expenses					
3 Year Historical Average Comparison	2009	2010	2011	Average	Proposed
	\$2,429,178	\$3,165,052	\$1,833,259	\$2,475,830	\$1,947,518
N/A					

PHA's Explanation of the Capital Needs and Replacement Reserves Estimates

N/A

Discussion of QAP timing

N/A

Demonstration of recent success obtaining 9% LIHTCs

N/A

Likelihood of obtaining 9% LIHTCs

N/A

I hereby certify to the following: (1) that I have the requisite authority to execute this application on behalf of the owner; (2) that HUD can rely upon this certification in evaluating the Application, (3) that I acknowledge that I have read and understand PIH Notice 2012-32 (the "Notice"), which describes the Rental Assistance Demonstration (RAD) (the "Program"), and agree to comply with all requirements of the Program or Notice; (4) that all materials submitted in association with the application are accurate, complete and not misleading; (5) that the application meets all applicable eligibility requirements for the Program set forth in the Notice; (6) that the owner approves the creation of a single-asset entity of the affected project if required by the lender to facilitate financing; (7) that, if selected for award, the owner will comply with the fair housing and civil rights requirements at 24 CFR 5.105(a) (general requirements) and will affirmatively further fair housing; (8) that there are no debarments, suspensions, or Limited Denials of Participation in Federal programs lodged against the applicant, PHA Executive Director, Board members, or affiliates; (9) that this Board Approval Form has been approved by the Board of Commissioners on the date noted below; and (10) that, if selected for an award, the PHA will comply with all provisions of HUD’s Commitment to Enter into a HAP (CHAP), which shall indicate the HUD-approved terms and conditions for conversion of assistance, or will indicate to HUD within 15 days that it is refusing the terms of the CHAP and withdrawing from RAD participation.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 USC Sections 1001, 1010, 1012; 31 USC Sections 3729, 3802)

PHA Certification: By Sean Rogan (Executive Director)

Signature:

January 0, 1900  
Date:

## Board Approval Form for Nueva Maravilla - page 1

**Housing Authority of the County of Los Angeles RAD Application for NUEVA MARAVILLA**

AMP No:	CA002000003
Units	501

## Type of Conversion

### PBRA (Project Based Rental Assistance)

## Proposed Units for Conversion and De Minimis

Summary	Total Units Proposed for Conversion	Units Proposed to be Reduced	de minimis threshold
	501	0	25
Explanation for de minimis reduction			Unit Count

## Pro Forma Sources and Uses

Sources of Funds	Amount	Per Unit
New First Mortgage Loan	\$0	\$0
Public Housing Operating Reserves	\$0	\$0
Public Housing Capital Funds	\$10,000	\$20
Replacement Housing Factor	\$0	\$0
Low Income Housing Tax Credit Equity - 4%	\$0	\$0
Low Income Housing Tax Credit Equity - 9%	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
<b>Total Sources of Funds</b>	<b>\$10,000</b>	<b>\$20</b>
Uses of Funds	Amount	Per Unit
Acquisition Costs	\$0	\$0
Construction Costs	\$10,000	\$20
Relocation Costs	\$0	\$0
Professional Fees	\$0	\$0
Loan Fees and Costs	\$0	\$0
Reserves	\$0	\$0
Developer Fees	\$0	\$0
<b>Total Uses of Funds</b>	<b>\$10,000</b>	<b>\$20</b>

## Stabilized Cash Flow Pro Forma

	<i>Total</i>	<i>PUPA</i>
Gross Potential Rents for RAD Units	\$4,740,624	\$9,462
Gross Potential Rents for Other Apartment Units	\$0	\$0
Gross Potential Rents for Commercial	\$0	N/A
Vacancy Loss and Bad Debt Loss	(\$237,031)	-\$473
Other Income	\$28,000	\$56
<b>Effective Gross Income</b>	<b>\$4,531,593</b>	<b>\$9,045</b>
Total Operating Expenses	(\$4,337,988)	(\$8,659)
Annual Deposit to Replacement Reserve	\$0	\$0
<b>Net Operating Income</b>	<b>\$193,605</b>	<b>\$386</b>
First Mortgage Debt Service	\$0	\$0
<b>Operating Cash Flow</b>	<b>\$193,605</b>	<b>\$386</b>

**PHA's Explanation of Any Relocation of Tenants (Estimated Relocation Cost is \$0)**

N/A

## PHA's Explanation of Capacity and Experience to Carry Out the RAD Conversion

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Board Approval Form for Nueva Maravilla - page 2

Housing Authority of the County of Los Angeles RAD Application for NUEVA MARAVILLA

PHA's Explanation of the Proposed Total Operating Cost being less then 85% of the 3 Year Historical Operating Expenses					
3 Year Historical Average Comparison	2009	2010	2011	Average	Proposed
	\$3,308,299	\$3,803,188	\$3,464,564	\$3,525,350	\$4,337,988
N/A					

PHA's Explanation of the Capital Needs and Replacement Reserves Estimates

N/A

Discussion of QAP timing

N/A

Demonstration of recent success obtaining 9% LIHTCs

N/A

Likelihood of obtaining 9% LIHTCs

N/A

I hereby certify to the following: (1) that I have the requisite authority to execute this application on behalf of the owner; (2) that HUD can rely upon this certification in evaluating the Application, (3) that I acknowledge that I have read and understand PIH Notice 2012-32 (the "Notice"), which describes the Rental Assistance Demonstration (RAD) (the "Program"), and agree to comply with all requirements of the Program or Notice; (4) that all materials submitted in association with the application are accurate, complete and not misleading; (5) that the application meets all applicable eligibility requirements for the Program set forth in the Notice; (6) that the owner approves the creation of a single-asset entity of the affected project if required by the lender to facilitate financing; (7) that, if selected for award, the owner will comply with the fair housing and civil rights requirements at 24 CFR 5.105(a) (general requirements) and will affirmatively further fair housing; (8) that there are no debarments, suspensions, or Limited Denials of Participation in Federal programs lodged against the applicant, PHA Executive Director, Board members, or affiliates; (9) that this Board Approval Form has been approved by the Board of Commissioners on the date noted below; and (10) that, if selected for an award, the PHA will comply with all provisions of HUD’s Commitment to Enter into a HAP (CHAP), which shall indicate the HUD-approved terms and conditions for conversion of assistance, or will indicate to HUD within 15 days that it is refusing the terms of the CHAP and withdrawing from RAD participation.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 USC Sections 1001, 1010, 1012; 31 USC Sections 3729, 3802)

PHA Certification: By Sean Rogan (Executive Director)

Signature:

December 17, 2013  
Date:



Board Approval Form for South Scattered Sites - page 2

Housing Authority of the County of Los Angeles RAD Application for SOUTH BAY GARDENS

PHA's Explanation of the Proposed Total Operating Cost being less then 85% of the 3 Year Historical Operating Expenses					
3 Year Historical Average Comparison	2009	2010	2011	Average	Proposed
	\$3,420,699	\$3,286,477	\$1,810,290	\$2,839,155	\$2,755,266
N/A					

PHA's Explanation of the Capital Needs and Replacement Reserves Estimates

N/A

Discussion of QAP timing

N/A

Demonstration of recent success obtaining 9% LIHTCs

N/A

Likelihood of obtaining 9% LIHTCs

N/A

I hereby certify to the following: (1) that I have the requisite authority to execute this application on behalf of the owner; (2) that HUD can rely upon this certification in evaluating the Application, (3) that I acknowledge that I have read and understand PIH Notice 2012-32 (the "Notice"), which describes the Rental Assistance Demonstration (RAD) (the "Program"), and agree to comply with all requirements of the Program or Notice; (4) that all materials submitted in association with the application are accurate, complete and not misleading; (5) that the application meets all applicable eligibility requirements for the Program set forth in the Notice; (6) that the owner approves the creation of a single-asset entity of the affected project if required by the lender to facilitate financing; (7) that, if selected for award, the owner will comply with the fair housing and civil rights requirements at 24 CFR 5.105(a) (general requirements) and will affirmatively further fair housing; (8) that there are no debarments, suspensions, or Limited Denials of Participation in Federal programs lodged against the applicant, PHA Executive Director, Board members, or affiliates; (9) that this Board Approval Form has been approved by the Board of Commissioners on the date noted below; and (10) that, if selected for an award, the PHA will comply with all provisions of HUD’s Commitment to Enter into a HAP (CHAP), which shall indicate the HUD-approved terms and conditions for conversion of assistance, or will indicate to HUD within 15 days that it is refusing the terms of the CHAP and withdrawing from RAD participation.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 USC Sections 1001, 1010, 1012; 31 USC Sections 3729, 3802)

PHA Certification: By Sean Rogan (Executive Director)

Signature:

December 17, 2013  
Date: